

USDA, RURAL DEVELOPMENT offers loans and grants in rural areas to finance the purchase and repair of homes, including manufactured homes, and building sites. This pamphlet is a brief general outline of the Section 502 Single Family Rural Housing Direct Loan Program, except where otherwise noted.

### MAXIMUM LOAN AMOUNT

The maximum loan cannot exceed the lesser of the following:

- ⇒ The appraised Market Value of the property, or
- ⇒ The maximum dollar limitation established by Rural Housing Service (market value that does not exceed the applicable area loan limits), or
- ⇒ The repayment ability of the applicant as determined by income to debt ratios and/or budgets.

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964 (Voice & TDD). USDA is an equal opportunity provider and employer...

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**USDA RURAL DEVELOPMENT Office for:  
BLAINE, CAMAS, CASSIA, GOODING,  
JEROME, LINCOLN, MINIDOKA, AND TWIN  
FALLS COUNTIES, IDAHO.**

Applications and additional information may be obtained from:

**USDA, RURAL DEVELOPMENT  
USDA Service Center  
1441 Fillmore, Suite C  
Twin Falls, ID 83301**

Telephone: (208) 733-5380  
FAX: (208) 734-0428  
TDD: (800) 545-1833

### RURAL HOUSING STAFF:

#### Area Director:

**Becky Dean (Ext. #119)**

#### Loan Specialists:

**Tony Ballestero (Ext. #106)  
LaDeane Brown (Ext. #115)  
Lorry Nickel (Ext. #116)**

The office is generally open Monday through Friday, 8:00 a.m. to 4:30 p.m. However, the nature of our work requires that we attend meetings and make site inspections away from the office at various times, therefore, we would suggest that you call our office prior to a visit to avoid the inconvenience of not being able to meet with the appropriate party. If you get an answering machine, please leave your name and telephone number and a message if you desire. We will return your call or take action on your message as soon as possible. It is our desire to provide you the best service possible with what resources we have available.



Committed to the future of rural communities.

## TWIN FALLS AREA OFFICE

**1441 Fillmore, Suite C**

**Twin Falls, ID 83301**

**(208) 733-5380**

## INTRODUCTION TO:

## 502 DIRECT LOANS

**USDA-RURAL DEVELOPMENT**  
Loan program available to  
acquire and/or repair single-  
family dwellings.

## ELIGIBILITY REQUIREMENTS

1. Section 502 Home Ownership Loans are offered to families with low or very low income.
2. Not own a dwelling (unless refinancing is requested), or owns a dwelling which is not structurally sound, functionally adequate, or large enough to accommodate the needs of the applicant.
3. Be unable to obtain the funds needed to provide the necessary housing from other credit sources or resources.
4. Have a credit history which indicates a reasonable ability and willingness to meet obligations as they become due.
5. Have adequate & dependable income to pay house payments, insurance premiums, real estate taxes, necessary living expenses & outstanding debts.
6. Be a U.S. citizen or permanent resident.
7. Possess the legal capacity to incur the loan obligation.
8. Have the ability to carry out the required obligations of the loan.
9. Provide accurate and truthful application and financial information to USDA, RURAL DEVELOPMENT at the time of application.
10. Square footage limitations may apply.
11. No in-ground pools or be income producing property.
12. Home buyer education class is required.

## INFORMATION PERTINENT TO A PARTICULAR AREA AND/OR SUBJECT TO CHANGE

### PROGRAM CHANGES

Income and loan limits can vary from county to county. In addition, these limits, as well as interest rates offered and fees can change periodically.

**Please contact the local USDA, Rural Development office for most current information.**

## ELIGIBLE AREA

All areas of south central Idaho are eligible excepting an area approx. 50 square miles surrounding the metropolitan area of Twin Falls, Idaho (Map Available)

### MAXIMUM LOAN LIMIT

Loan limits vary according to county and change periodically; **please contact the local USDA, Rural Development office for current limits.**

### INTEREST RATE

Interest rates change periodically, **please contact the local USDA, Rural Development office for the most current rate.**

### FEES (Section 502 Direct Loans only)

**The fees which will be charged are for Credit Report, Appraisal, as well as a Tax Monitoring Fee. These fees change periodically; therefore, please contact the local USDA, Rural Development office for the current fee amounts.**

### LOAN TERMS

Repayment period cannot exceed the estimated remaining useful life of the property. Normally, loans are for 33 years, and under certain conditions may be for 38 years. The maximum repayment period for manufactured homes is 30 years.

### INTEREST RATES AND PAYMENT ASSISTANCE

Loans are made at a stated fixed rate of interest referred to as "note interest rate." The note interest rate is the maximum rate charged during the life of the loan. (See "INTEREST RATE.") However, depending upon the adjusted annual household income, USDA, RURAL DEVELOPMENT may offer Payment Assistance.

### SECURITY REQUIREMENTS

USDA, RURAL DEVELOPMENT loans will be secured by a Deed of Trust or Real Estate Mortgage on the entire property being financed. Generally, title insurance is required insuring that USDA, RURAL DEVELOPMENT has a valid lien on the property and improvements mortgaged.

## REFINANCING WITH PRIVATE CREDIT

USDA, RURAL DEVELOPMENT is a federally funded Agency of the Department of Agriculture. The intent of USDA, RURAL DEVELOPMENT'S Section 502 Housing Program is to provide assistance to families that are unable to obtain housing through conventional credit sources. Therefore, when a Section 502 Rural Housing Loan recipient is no longer receiving any payment assistance subsidy and is otherwise financially able, USDA, RURAL DEVELOPMENT expects them to refinance their USDA, RURAL DEVELOPMENT loan with a conventional credit source.

### HOW TO APPLY

Application is made by filling out Form RD 410-4, UNIFORM RESIDENTIAL LOAN APPLICATION (URLA). The URLA and USDA RURAL DEVELOPMENT required forms for verifying income need to be signed and returned to the USDA RURAL DEVELOPMENT local office serving the area in which the applicant wishes to purchase a home.

### LOAN PURPOSES

Loans may be made to buy, build, rehabilitate, improve, or relocate a dwelling and provide related facilities including a minimum site for use by the applicant as a permanent residence. Loans also may be made to farm owners to provide housing for tenants and/or farm laborers. Under special circumstances, loans may be made to refinance debts.

Loans may also be made to purchase new manufactured homes that will be permanently attached to approved sites. Manufactured homes must be purchased from USDA RURAL DEVELOPMENT approved Dealer-Contractors.

Loan funds may be used to pay certain costs connected with acquisition of the property such as legal fees, surveys, closing costs, etc.

Loan funds can NOT be used for acquisition of existing manufactured homes not presently financed by USDA RURAL DEVELOPMENT. Nor can funds be used for finder fees, purchase income producing properties or refinance debts on manufactured homes.